



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

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August 26, 2004

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: *for David E. Janssen*
David E. Janssen
Chief Administrative Officer

SACRAMENTO UPDATE

Legislation of Interest to the County

AB 1629 (Frommer), as amended on August 24, 2004, would impose quality assurance fees on skilled nursing facilities (SNFs) to provide part of the \$107 million State share needed to obtain Federal matching funds for SNF cost-of-living reimbursement rate increases. It would also require the California Department of Health Services to develop a new reimbursement rate methodology for SNFs under Medi-Cal, and appropriates \$3.35 million for this purpose. The measure authorizes the Director of the California Department of Health Services to exempt facilities, including Institutions for Mental Disease (IMDs), from the quality assurance fee.

While the intent of AB 1629 is to raise reimbursement rates for SNFs, the Department of Mental Health (DMH) is concerned about the unintended consequences of the bill on its ability to provide IMD care to Los Angeles County residents with mental illnesses. IMDs in California are licensed as SNFs and provide diagnosis, treatment, or care for persons with mental diseases, including medical attention and nursing care. DMH purchases IMD beds for the care of clients who need nursing and supportive care, in addition to mental health treatment. The rates DMH pays to purchase IMD services are based on State Medi-Cal SNF rates. Thus, an increase in SNF rates will result in increased costs for IMD beds. While most SNFs are eligible to receive Medi-Cal reimbursement, Federal law prohibits IMDs from doing so.

Because the increased Medi-Cal reimbursement rates would be largely paid through Federal matching funds, for which IMDs are ineligible, county mental health agencies would be required to use their limited mental health realignment funds to cover the increased IMD rates. Historically, DMH has had to reduce the number of IMD beds available to the County's mentally ill in response to cost-of-living increases that raised Medi-Cal rates.

Because discussions with the author's staff indicate that the effect of AB 1629 on county mental health agencies was not intentional, DMH and our Sacramento advocates are working with the author's office and the State Department of Mental Health to resolve the problem. AB 1629 is in the Assembly for concurrence in Senate Amendments.

Status of County Interest Legislation

County-supported AB 488 (Parra), which would require the Department of Justice (DOJ) to disseminate registered sex offender information pursuant to Megan's law via an Internet website operated by the DOJ, and allow qualified offenders to petition for the removal of their information from the Internet, passed the Senate on August 19, 2004 by a vote of 35 to 1, and was sent to the Assembly for concurrence with Senate amendments. On August 24, 2004, the Assembly passed the bill on a vote of 77 to 2, and sent the bill to the Governor.

County-supported AB 1185 (Montañez), which would direct the State Department of Parks and Recreation to consider obesity in youth as a factor in the allocation of Propositions 12 and 40 grants for parks, and urge that future bond acts include funds for combating obesity in youth, was amended on August 23, 2004 to have the Legislature consider the Murray-Hayden Urban Parks and Youth Service Program (which provides grant funding for capital projects for parks that are within immediate proximity of a neighborhood having a critical lack of parks or open space) as the mechanism to allocate the funds. The bill passed the Senate on August 24, 2004 by a vote of 22 to 14, and was sent to the Assembly for concurrence with Senate amendments.

County-supported AB 1432 (Firebaugh), which would eliminate a provision of California law which bars California prosecution based on foreign convictions or acquittals, but at the same time, would provide credit for actual time served in a foreign country for the same crime, received Assembly concurrence with Senate amendments on August 24, 2004 by a vote of 77 to 0, and was sent to the Governor.

County-supported AB 1663 (Dutra), which would extend the sunset date for the current \$1 fee assessment on each vehicle registered with the County to finance the Taskforce for Regional Autotheft Prevention program to January 1, 2010, and require each county to issue a fiscal year-end report to the Controller who will determine if fee revenues are being used in a manner consistent with the bill, received Assembly concurrence with Senate amendments on August 20, 2004 by a vote of 55 to 17, and was sent to the Governor.

County-supported AB 2064 (Goldberg), which would propose new guidelines for the State Department of Parks and Recreation for future State bond acts with regard to how urban parks are defined and designed, provide for a portion of expenditures to be made on park-poor underserved areas in proportion to other conservation efforts, and clarify that future State park projects can include active recreation uses in heavily urbanized areas, was amended on August 17, 2004 to stipulate that the State Department of Parks and Recreation does not have the authority to manage or deliver active recreation programs. The bill passed the Senate on August 23, 2004 by a vote of 23 to 11, and was sent to the Assembly for concurrence on Senate amendments.

County-supported AB 2222 (Koretz), which would make it an infraction to operate any watercraft with anyone bodysurfing behind the vessel, or with anyone occupying or holding onto the swim platform, swim deck, swim step, or swim ladder, passed the Senate on August 23, 2004 by a vote of 23 to 7, and was sent to the Assembly for concurrence with Senate amendments.

County-supported AB 2446 (Montañez), which would expand the list of projects eligible for joint-use bond funding for schools to include parks, recreational centers, cultural arts centers, technology centers, health clinics, and athletic fields that are adjacent to a school site, and to make gymnasiums, libraries, multipurpose-room child care facilities, and teacher education projects a priority for grants if applications exceed the funds available, was amended on August 23, 2004 to delete teacher education facilities and add preschool facilities to the eligibility list for funding as a joint-use facility. The bill passed the Senate on August 25, 2004 by a vote of 21 to 10, and was sent to the Assembly for concurrence with Senate amendments.

County-opposed unless amended SB 18 (Burton), which would create a procedure in the Environmental Quality Act for the Native American Heritage Commission to be consulted on proposed changes to a general plan or open space element, received Senate concurrence with Assembly amendments on August 20, 2004 by a vote of 30 to 4, and was sent to the Governor.

County-supported SB 1089 (Johnson), which would require the State Water Resources Control Board to give favorable consideration to projects that address public health problems or water pollution, are necessary to comply with regulatory requirements, promote water recycling projects, prevent water quality degradation, or address administrative enforcement orders, received Senate concurrence on Assembly amendments on August 23, 2004 by a vote of 34 to 0, and was sent to the Governor.

County-opposed SB 1334 (Kuehl) would mandate that counties have either a plan or an ordinance requiring mitigation for any cutting or removal of oak trees that involves 30 percent or more of the canopy from an oak woodland. The plan or ordinance must contain alternatives and procedures, and include a monetary contribution to the State's Oak Woodlands Conservation Fund that will be used to purchase conservation easements. The counties would have to submit their plan or ordinance to the State

Department of Resources for approval, and the Secretary of Resources may revoke or change the plan or ordinance. The bill was amended on August 17, 2004 to delete references to a county oak woodland management plan, and now requires a county to determine if a project may result in a conversion of oak woodlands. If a project results in a conversion, the county must require mitigation through conservation easements or planting trees. The bill passed the Assembly on August 23, 2004 by a vote of 41 to 34, and was sent to the Senate for concurrence with Assembly amendments.

County-supported if amended SB 1375 (Scott), which would authorize the California Transportation Commission to relinquish a portion of State Highway Route 164 (Rosemead Boulevard) to the County of Los Angeles, passed the Assembly by a vote of 78 to 1 on August 18, 2004, and was sent to the Governor.

County-opposed unless amended SB 1462 (Kuehl), which would require a local planning agency to refer to the military a General Plan, a substantial change to the General Plan, or a completed project application, and also require a project applicant to indicate if the project is adjacent to a military facility or under a low-level flight path, received Senate concurrence with Assembly amendments on August 20, 2004 by a vote of 25 to 9, and was sent to the Governor.

County-opposed SB 1609 (Dunn), which deletes a local jurisdiction's ability to deny affordable housing projects based on findings of over-concentration, or because the jurisdiction's designated share of housing has been met, failed in the Assembly Local Government Committee on August 23, 2004, but was granted reconsideration.

County-supported SB 1677 (Knight), which would amend the Los Angeles County Flood Control Act to allow the Flood Control District to accept the transfer of a storm drain improvement or drainage system from a city or a private party without action by the Board of Supervisors, was chaptered on August 23, 2004, and will become effective on January 1, 2005.

We will continue to keep you advised.

DEJ:GK
MAL:JF:JL:MS:ib

c: Executive Officer, Board of Supervisors
County Counsel
Local 660
All Department Heads
Legislative Strategist
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations